

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



# Spotlight

## ON FOREIGN MARKETING

A280.39  
F765  
Cap2

LIBRARY  
CURRENT  
JUL 20 1957  
U.S. DEPT. OF AGRICULTURE



TO U.S. AGRICULTURAL ATTACHES AND FAS STAFF MEMBERS

Vol. 1, No. 9

July 12, 1957

TRADE GROUPS ENDORSE FAS MARKET DEVELOPMENT WORK. Overseas market development projects carried out under 104-a, Title I, P.L. 480, were discussed at a two-day conference in Washington on June 27-28. Representatives from 54 trade and other groups and farm organizations met with USDA personnel to review many of the 67 market development projects which are now being carried out in 24 countries. Many of the trade groups represented have already cooperated on projects or have plans to participate in the near future. All agreed that the meeting was worthwhile. The exchange of ideas should help greatly in improving and increasing foreign sales of U. S. farm products for dollars.

Assistant Secretary Butz, in addressing the gathering, emphasized strongly the importance of moving agricultural exports through dollar channels, instead of through continued Government programs. "Increasing commercial sales," he said, "is the acid test of these market development projects." In mentioning certain projects where foreign interest had been particularly keen he warned the cooperators that, "we must not confuse activity with achievements. It is possible to stir up a great deal of enthusiasm without increasing our export business."

Gwynn Garnett, FAS Administrator, urged greater participation by private groups in expanding foreign markets for U. S. agricultural products. He pointed out that the potential is greater than present marketing techniques can exploit. Our basic program should be "to encourage, assist or push private trade in promoting foreign markets," he said.

DUTCH ISSUE FIRST IMPORT LICENSE FOR U. S. POULTRY. Agricultural Attache Robert Reed has started a market development project for U. S. poultry in The Netherlands. A turkey dinner, American style, was recently held in The Hague for 75 Dutch men and women. Guests included representatives of the Ministry of Agriculture, the Control Board for Poultry and Eggs, women's clubs, hotels and restaurants, airlines and shipping lines, press and radio and food importers. Herbert Beyers, general manager, Norbest Turkey Growers Association, was host to the luncheon.

This was the first time that an import license has been issued by the Dutch for U. S. poultry. It is hoped that this is the forerunner for commercial sales in the near future.

PERUVIANS LIKE U. S. POULTRY PRODUCTS. Trial shipments of U. S. poultry products to Peru in 1956 has blossomed into an impressive business. Shipments of frozen chickens and capons rose from 7.2 thousand pounds in the first four months of 1956 to 135.8 thousand pounds in the same period this year.

U. S. AGRICULTURAL EXHIBIT IN SPAIN WINS TWO TOP AWARDS. The market promotion exhibit of U. S. agricultural products at the 25th International Samples Fair in Barcelona, Spain, (June 1-20) received two first-prizes as the outstanding international exhibit at the fair. The awards were for best design, operation and general excellence. The silver trophies were presented by the Barcelona Association of Manufacturers' Representatives and Radio Barcelona. This was the first fair in the Department's schedule in which awards have been given to exhibitors.

BARCELONA EXHIBIT INSPIRES FORMATION OF NEW DAIRY COMPANY. Dairy Society International reports that the milk recombining and ice cream-making equipment used in the U. S. agricultural exhibit in Spain has been sold. It is to be used in Madrid for demonstrational purposes in the formation of what is hoped to be a Spain-wide organization for processing and distributing recombined milk and ice cream. The Madrid demonstrations will emphasize the excellent quality of U. S. dry milk solids and anhydrous milk fat.

TOP QUALITY FLUE-CURED LEAF AVAILABLE FOR EXPORT FROM NEW CROP. The initial auction sales will open in the Florida-Georgia area July 18. Markets in other areas will open shortly thereafter. The market will contain more than 99 percent old-type varieties of U. S. flue-cured tobacco known throughout the world for its body, flavor and aroma.

The 50 percent discount price support enforced by the USDA (Spotlight 2/8/57) has almost completely discouraged production of the undesirable varieties -- Coker 139, 140 and Dixie Bright 244. In addition, the identification of any of these undesirable varieties on the auction floors (Spotlight 5/31/57) will assure buyers of obtaining leaf of the old standard varieties

EX-IM BANK LOAN TO JAPAN SIGNED FOR \$115 MILLION. A new bank credit has been signed between Japan and the Export-Import Bank for \$115 million worth of wheat, cotton, barley and soybeans. This is the first time such a loan to Japan has covered the purchase of commodities other than cotton. According to the Ex-Im Bank, about 50% of the loan will be used for cotton and the balance for the other three commodities.

For the past six years Japan has used Ex-Im Bank financing to purchase approximately \$60 million worth of cotton a year. This year an additional loan agreement will be signed in September, bringing the total for the year to \$120 million.

Ex-Im Bank financing now is available for the purchase of 15 U. S. farm products. Last September 10 a plan was announced for stepped-up assistance by Ex-Im Bank in financing exports of U. S. agricultural commodities on a short term basis (up to 36 months). The loans apply in situations where adequate credit is not available through usual commercial sources.

PERUVIAN SUPERMARKETS WILL TRY A NEW WAY OF SELLING BEANS. They've ordered 80,000 pounds from Western Bean Dealers, Inc., a U. S. Trade Association, for packaging in cellophane bags. A 104 (a) financed store promotion project will help to introduce U. S. beans to the housewives. This is the first sale of its kind in Peru.



CCC SALES LIST FOR JULY INCLUDES THE FOLLOWING COMMODITIES:

Butter, nonfat dry milk, cheddar cheese, wool, cotton (upland and extra long staple), cotton linters, peanuts, corn, wheat, oats, barley, rye, grain sorghums, soybeans, flaxseed, rice (rough and milled), dry edible beans, gum rosin, and gum turpentine.

Main change in the list this month is a shift to a new-crop (1957) basis of minimum pricing for domestic sales of wheat, oats, barley, rye and grain sorghums.

Interest rates per annum under the CCC credit program for July, 1957 are 4 percent for periods up to six months, 4 1/2 percent for periods from over six months and up to 18 months, and 5 percent for periods over 18 months up to a maximum of 36 months.

SUMMARY OF CCC SALES - JUNE 10-21, 1957. From June 10 through June 21, CCC sold the following commodities for export: 173,843 bales of Upland cotton at prices averaging between 27.33 and 27.66 cents per pound basis middling one inch at average mill locations; high moisture corn sales totaled 4,646,000 bushels at a range of \$1.22-3/8 to \$1.26-1/4 on track Gulf ports; corn sales totaled 2,035,000 bushels at prices ranging from \$1.28-3/4 for No. 4 at Atlantic ports and \$1.32 for No. 3 on track Atlantic; over a million bushels of white corn sold at the Gulf for \$1.48-1/2 -- 1.49-1/2 per bushel; small red beans sold for \$6.72 on the West Coast, the quantity sold was about 15,500 bags; over 9,300 bags of lima beans were also sold on the West Coast at \$3.00- \$3.51 per bag; Kansas City sold 121,800 bags of Great Northern beans at prices ranging from \$5.58 to \$5.75 per bag; flaxseed sales continued and more than a million bushels were sold at \$2.40 to \$2.40-1/8 per bushel FOB Minneapolis and Duluth; almost 1 million bushels of oats were sold at 48 to 54 cents per bushel.

CORN: The special offering of High Moisture Yellow Corn (14% or over), announced by CCC on May 31, was withdrawn effective June 21. A total of 7,276,000 bushels was sold for export under this program at prices from \$1.22-3/8 to \$1.35-1/2 per bushel.

CCC announced effective June 21, offerings of No. 3 and No. 4 yellow corn for export was withdrawn but bids would be considered on the basis of Grade No. 2 with lower grades to apply subject to availability and at the option of the buyer with discounts negotiated for grade lower than No. 2.

Effective June 24, limited offerings of corn for export will be made basis FOB vessel at Baltimore, Md., Philadelphia, Pa., Albany, N. Y., New York, N. Y., and Portland, Maine for 10 day lifting. Corn in unlimited quantities is available at Gulf ports, basis track delivery.

Total exports of all corn from October 1, 1956, beginning the current marketing year, to June 21, this year, amounted to 107,985,000 bushels.

RYE: CCC will continue to offer rye for export each week. Approximately 220,000 bushels of rye were sold on June 20, at prices ranging from \$1.15-1/2 to \$1.16-1/4 FOB East Coast

BARLEY: Substantial quantities of West Coast barley have been sold in the past two weeks at approximately 99 cents per bushel FOB Northwest ports.

WHEAT: Foreign buyers interested in strong type wheat should look closely at U. S. spring wheat which at the present time will compete most favorably with wheat of this type produced in other areas.

## GUIDE TO CURRENT DOMESTIC PRICES OF U. S. AGRICULTURAL PRODUCTS

Commodity	Unit	Grade, Type or Variety	Location	Latest Price week ending 7/5/57	Price Year Earlier
Cotton	Gr. Lb.	Midd. 1"	Hstn.-Gal.N.O.	\$ .3393	\$ .3593
Wheat <u>1/</u>	Bushel	#2 H. W.	Galveston	2.29-2.40	2.24-2.31
"	"	#1 S. W.	Portland	2.33-2.36	2.07-2.10
"	"	#2 S. R. W.	Baltimore	2.27	--
Rice	100#	Milled Zen. #2	New Orleans	9.00-9.50	8.00-8.75
Barley	Bushel	#2 Malting	Minneapolis	1.08-1.22	1.21-1.34
"	"	#3 Feed	Minneapolis	.75-.86	.84-.93
"	"	#2 Western	San Francisco	1.01-1.02	1.19-1.20
Corn	"	#2 Yellow	Chicago	1.35	1.54
Grain Sorghum	100#	#2 Yellow Milo	Ft. Worth	2.15-2.20	2.38-2.43
Beans	100#	#1 Gr. Northern	Idaho Points	6.80-6.90	6.65-6.75
Cottonseed Oil	Pound	B.P.S.Y.	July Ft., N.Y.	.1574	.1545-.1546
Soybean Oil	"	Refined	New York	.1450	.1525
Cottonseed Oil	"	Crude	Valley	.1362-.1375	.1312
Soybean Oil	"	Crude	Decatur, Ill.	.1162-.1175	.1250 <u>3/</u>
Linseed Oil	"	Raw	Minneapolis	.1270	.1330
Flaxseed	Bushel	#1	Minneapolis	3.05	3.32
Soybeans	"	#1	Chicago	2.40	2.76
Lard	Pound	Refined 50# tin	Chicago	.1525	.11875
Tallow	"	Prime Inedible	Chicago, FOB	.0750	.0625
Greases	"	Choice White	" "	.0950	.0700
Cottonseed Meal	Sh. Tn.	41% Bagged	Memphis	52.00	55.00
Soybean Meal	Sh. Tn.	44% Bagged	Decatur <u>2/</u>	48.50	63.00
Butter	Pound	Gr. A 92 score	Chicago	.5925-.5950	.5900-.5925
Cheese	"	Cheddar	Wis. Prim. Mkts.	.34125-.3600	.34125-.3600
Milk, N.F.D.S.	"	Sp. Proc.	Chicago	.1350-.1685	.15125-.1685
" Evap.	Case	48-14 1/2 oz.	Pac. Cst. Mkts.	5.95-6.45	5.80-6.30
Eggs, shell	Doz. Med.	Mixed colors	New York	.2850-.2950	.3700-.3800
Eggs, dried	Pound	Whole	New York	.98-.1.06	1.12-1.25
Beef trimmings	"	75-85% lean froz.	Chicago	.3125	.2000
Beef hearts	"	Reg. frozen	Chicago	.2000	.1100
Beef livers	"	" "	Chicago	.2300	.1450
Pork trimmings	"	" "	Chicago	.1800	.1175
Chicken	"	Gr. A Hen R.C.	New York	.3000-.3100	.3900-.4100
Turkey	"	Gr. A. Tom R.C.	New York	.3500-.3600	.4500-.5950
<u>4/</u>					
Canned Apricots	Doz. #2-1/2	Choice Halves	FOB-Calif.	3.15	2.90
" Peaches	Doz. #2-1/2	" "	" "	2.75-2.85	2.825-2.875
" Pears	Doz. #2-1/2	" "	" "	3.50	3.40-3.50
Grapefruit Secs.	Doz. #303	Fancy, Li. Syrup	FOB-Florida	1.60	1.50
Orange Juice	Doz. 46 oz.	Sweetened	" "	2.15	2.85
Oranges, Fresh	Std. Ctn.	Size 163 Valencia	FOB-Calif.	1.65	<u>5/</u>
Oranges, Fresh-FLA	1-3/5bu. bx.	Valencia	10 markets <u>6/</u>	4.45	5.65
Lemons, Fresh	Std. Ctn.		FOB-Calif.	2.78	3.25
Raisins	Lb. Bulk	Natl. Thompson	FAS-Calif.	.1275-.13	.115
Prunes	Pound	80-90	" "	.1025-.105	.12-.125

1/ I. W. A. export payment allowances for CCC wheat sold for export under GR-261 and GR-262 shown below relate to hard wheat:

	Current Week	Year Earlier
Gulf Coast to all destinations except Latin America Hd. Win.	<u>54</u>	<u>52</u>
Gulf Coast to Latin America and West Indies.....Hd. Win.	<u>51</u>	<u>49</u>
East Coast.....Northern Spring <u>86</u> .....Other	<u>59</u>	<u>66</u>
Pacific Coast.....All	<u>63</u>	<u>58</u>

2/ Unrestricted billing basis. 3/ Traded

4/ Quotations for fruit are for domestic sales; export sizes and varieties probably lower.

5/ Due to the changes in sizes of California fruit, no comparable figures for last year.

6/ Weight average auction prices, 10 terminal (northern) markets.



MARKETING NOTES - U. S. POULTRY AND EGGS

PRICE, VARIETY AND QUALITY WIN  
FOREIGN SALES FOR U. S. POULTRY

uniform quality; careful preparation for market in a variety of types and sizes to meet most consumer preferences. Foreign buyers have had opportunities to see U. S. poultry at international trade fairs and other special promotions. Favorable reaction to demonstrations has resulted in increased sales of U. S. poultry in several European and Latin American countries. The total value of poultry industry exports for 1956 was over \$43 million, a peacetime record.

U. S. chickens, turkeys and eggs are making a hit in foreign markets. The reasons are: reasonable prices; high

"GOOD EGGS" MARKETING IN  
SHELL AND POWDERED FORM

In the U. S. most eggs are sold as shell eggs; about 7 percent of the total are consumed as dried eggs (egg solids) and frozen eggs. Dried

whole egg solids are used mostly in flour and baking mixes. Egg yolk solids are used in a variety of mixes where color is important, and egg albumen solids are widely used in cakes and confections. Frozen eggs are packed as whole eggs, whites and yolks. Salt and sugar are frequently added to the yolks for the mayonnaise and baking industries. Our exports of egg solids are expanding as more countries become acquainted with our top quality products.

FROZEN PACK IS POPULAR  
FOR EXPORTING POULTRY

Frozen poultry is packed in several forms for export shipping. Chickens are packed as broilers, fryers, roasters, hens and capons. Big and little

turkeys are packed as fryers or roasters, young roasting birds, and more mature birds. Ducks and geese are packed in smaller quantities. Chickens are packed either whole or cut-up entire birds, or sold as packages of breasts, thighs, drumsticks, etc. Chicken and turkey pot pies have become so popular in recent years that millions are sold daily. Ready-to-heat frozen chicken and turkey dinners are also popular.

The bulk of our frozen poultry is sold ready-to-cook because of its attractiveness and cheaper shipping rates. This factor alone has helped increase overseas demand. Most of the tonnage exported has been processed under Federal inspection for wholesomeness and the buyer can request it to be officially graded.

VARIETY OF CANNED  
PRODUCTS AVAILABLE

There is a large and growing variety of canned products, particularly chicken. Whole or half chickens with broth, small cans of boned chicken or turkey, mixed dishes of

poultry with rice or noodles, and other preparations have helped entice consumers to eat more and more poultry.

U. S. POULTRY BREEDERS  
TAKE PRIDE IN PRODUCTS

U. S. poultry breeders have established a firm reputation throughout the world for the superior quality of our birds. Hatching eggs and baby chicks are shipped in increasing quantities to many countries each year.

